

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Disabled & Elderly Health Programs Group

November 8, 2022

Dave Richard
Deputy Secretary
Department of Health and Human Services, Division of Health Benefits
1985 Umstead Drive
Raleigh, NC 27609

Dear Deputy Secretary Richard:

The Centers for Medicare & Medicaid Services (CMS) is granting North Carolina approval of the electronic visit verification (EVV) good faith effort exemption request for Home Health Care Services (HHCS). CMS has determined that your state's request is in accordance with [12006\(a\)\(4\)\(B\)](#) of the 21st Century Cures Act (Cures Act). Specifically, your state has made a good faith effort to comply with EVV requirements by conducting an environmental scan on HHCS providers, holding ongoing stakeholder meetings, choosing an open vendor model, and modifying the contract with the current EVV vendor to include HHCS.

In addition, your state has encountered unavoidable delays when implementing its EVV system, including a delay in the implementation date for the state's transition of Local Management Entities (LMEs) and Managed Care Organizations (MCOs) to Tailored Plans. This transition will also require system configurations for EVV to be implemented for HHCS.

Because your state has sufficiently demonstrated it has made a good faith effort to comply with EVV requirements and has encountered unavoidable delays, CMS will not apply federal medical assistance percentage (FMAP) reductions in calendar year 2023. Please be advised that the Cures Act provision on good faith effort exemptions does not provide CMS with authority to delay the FMAP reductions for more than one year. If you have any questions please email EVV@cms.hhs.gov.

Sincerely,

Ryan Shannahan, Deputy Director
Division of Long-Term Services and Supports